



TENNESSEE ECONOMIC AND COMMUNITY DEVELOPMENT
312 EIGHTH AVENUE NORTH, ELEVENTH FLOOR
NASHVILLE, TENNESSEE 37243

COMMISSIONER AT WORK

A few highlights of Commissioner Kisber's most recent activities.

Speaking Engagements:

- Brentwood-Cool Springs Chamber of Commerce
- Donelson Chamber of Commerce
- Financial Executives International
- Jackson Rotary Club
- Maury Alliance Annual Meeting
- Tennessee Chamber of Commerce Executives Annual Leadership Conference
- Tennessee Independent Colleges and Universities Association 50th Anniversary Celebration
- WestStar Leadership Class

Events:

- Expansion Management Hottest Cities Press Conference
- ECD's Three-Star Level III Community Summit
- Goodman Assembly Line Expansion
- Johns Manville Groundbreaking Ceremony

Announcements...

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Cobalt Boats, one of the oldest privately-held boat manufacturers in the United States, purchased a 375,000-square-foot building on 72 acres in Monroe County, where it will launch its new production division bringing approximately 350 jobs to the region. Cobalt also purchased an additional 12 acres near Tellico Lake, where it will build a boat launch, testing facility and marina.

Colgate-Palmolive named Morristown, Tenn., as the site for its new 150,000 square-foot state-of-the-art toothpaste manufacturing facility. The company plans to build a facility in the Morristown Airport Industrial District, employing 220 people.

Eagle Bend Mfg., Inc. located in Clinton, Tenn., will expand its facility by 30,000 square-feet, creating 150 new jobs. Eagle Bend currently employs over 500 people at their 304,000-square-foot building.

Federated Department Stores, Inc. announced that it will build a new 595,000-square-foot, direct-to-consumer distribution center at Kentucky/Tennessee Industrial Park near Portland, Tenn. The facility will employ approximately 500 people.

Gastite, a division of the Titeflex Corporation, has announced it will relocate its manufacturing and distribution operation from Springfield, Mass., to Portland/Robertson County area. The company will build a 154,000-square-foot facility at the Tennessee/Kentucky Industrial Park that will provide approximately 150 new jobs to the region.

Samick Music Corporation announced its decision to move its North American corporate headquarters, manufacturing, and primary distribution center to Gallatin, Tenn. The company, which makes pianos and guitars, plans to relocate some 30 employees while hiring 50-70 people and invest some \$5 million in its new facilities at the Gallatin Industrial Center.

Carpet manufacturer **Shaw Industries** has chosen to reopen its manufacturing plant in South Pittsburg/Marion County, investing \$50 million in the project and bringing 90 new jobs to the area, with a potential to grow up to 200 jobs.

SYSO will purchase the entire 44 acres of I-275 Business Park, plus an additional 35 acres currently owned by Norfolk Southern. The 300,000-square-foot complex will employ 300 people with an average yearly compensation of \$56,000.

Asurion...

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"We are extremely proud that a world-leader in the technology industry, such as Asurion, has chosen to relocate its corporate headquarters to Tennessee," said Governor Phil Bredesen. "The positive impact Asurion brings to Middle Tennessee fits precisely with our broader Jobs Cabinet strategy to grow and recruit better-paying, higher-quality jobs."

The advantages of having a respected head-quarter operation like Asurion's is evident in the phenomenal job growth that has occurred. Smith said the credit goes to "loyal and dedicated employees."

"Asurion's growth has been greater than we could have ever imagined, and a great deal of credit for that needs to go to our employees," said Smith. "There's also the great partnership on the state and local level that fosters a pro-business attitude that you just don't find many places. From the governor to our local leaders, there's just an energy that allows companies to succeed."



Byron Smith

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DEVELOPMENTS

NEWS FROM TENNESSEE ECD

TN Answers The Call

Asurion Finds Move To Tennessee "Better Than Expected"

Since moving its corporate headquarters three years ago, Asurion's experience in Tennessee has provided the wireless services giant with exactly the things it was looking for - a vibrant business climate, available and skilled work force, good infrastructure and great quality of life.



Asurion's Nashville-based headquarters.

"We are a very pragmatic company and the decision to move to Middle Tennessee was done with a great deal of thought and consideration," said Byron Smith, Asurion's chief marketing officer. "We were looking for a place that had the right business climate, the right labor pool and the right community to help Asurion grow. Obviously, we made the right decision, for our customers, our wireless partners and, we believe, for this vibrant community. We are glad to be here."

Asurion's Nashville-based headquarters has been a successful match leading the company to exceed its initial commitment to create 600 new jobs over a three-year

period to growing more than 1,200 new jobs, and those numbers continue to rise.

"It's been better than expected," said Smith. "The recent number of major relocations to Nashville and Middle Tennessee demonstrate that this is a very good place to do business. Other companies are taking advantage of the same opportunities we saw when we made our move: quality of life, pro-business environment, wealth of quality educational institutions, quality infrastructure and, most importantly, quality of

work force and potential for growth."

The headquarters operation houses the traditional finance, human resources, sales, marketing and client services functions. It's also home to one of the company's call centers where more than 600 customer service representatives field about two million calls per month from customers. The company also operates a Technology and Logistics Center in Smyrna. That center employs 1,200 people.

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800 New Jobs

Bredesen Celebrates Goodman Company's Assembly Line Expansion

Governor Bredesen and ECD Commissioner Matthew Kisber joined Lincoln County and Goodman Company, L.P. officials March 2, to celebrate the addition of three new

assembly lines at the company's Fayetteville plant, which has created 800 new jobs in the area.

"Goodman Company represents the type of economic development we are aiming for, as we assist existing companies with their growth and expansion," said Bredesen.

Headquartered in Houston, Texas, Goodman is the second largest unit manufacturer of residential and light commer-

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Announcements...

Governor Phil Bredesen and ECD Commissioner Matthew Kisber, along with Etowah officials, joined executives of **Johns Manville** at its official groundbreaking ceremony to commemorate the company's new nonwoven glass mat production line at its facility in Etowah, Tenn. The line will be fully operational by early 2007.



Governor Bredesen, Commissioner Kisber, Etowah officials and executives of Johns Manville participate in the official groundbreaking ceremony of the company's new nonwoven glass mat production line at its facility in Etowah, Tenn.

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cial heating and air conditioning products in the United States. It has four modern, high technology factories, totaling over 1,200,000 square-feet in Houston, Texas, and Dayton and Fayetteville, Tenn. The company invested \$6 million in its Fayetteville plant's three assembly line expansions.

"We congratulate Goodman on this decision and are very excited about the new job opportunities and economic growth that will come from this," said Kisber.

COMMISSIONER'S CORNER

As a former small business owner, I found myself doing it all – answering the phones, ordering supplies, and yes, even taking out the trash.



No one said running a business was easy, but at the end of the day, it's rewarding to see it grow. Even though I'm not faced with the demands of running a business, I still understand the challenges that small, minority and women-owned businesses face.

As ECD Commissioner, I've made assisting this important segment of our economy a priority. In 2004, I created the Business Enterprise Resource Office, or BERO, a one-stop shop for technical, financial and management information resources for small, minority and women-owned businesses. We expanded a one-person program to a team of six with regional offices in Memphis, Nashville and Knoxville. To date, we've served

over 1,000 small businesses.

After finding success in partnerships with the U.S. Small Business Administration and the U.S. Department of Energy in two key matchmaking events, we decided to host our own. Tennessee Business Matchmaking will pair small businesses with larger businesses and government agencies for potential contracting opportunities. The first event is set for April 20 in the Tri-Cities area, and events are also planned for Nashville on June 1 and Memphis on June 29.

I encourage you to take part in these matchmaking events. Perhaps you can arrange for someone else to answer the phones, order the supplies and take out the trash for at least one day while you market your business face-to-face with potential buyers.

Matthew Kisber

– Matthew Kisber
Commissioner, Tennessee Department of Economic & Community Development

Tennessee Ranks No. 1 in Debt Management

The relocation of the Nissan North America, Inc.'s headquarters to Tennessee received recognition as one of *Business Facilities* magazine's biggest economic development deals in 2005.

Tennessee has received a host of rankings in recent months for its economic development efforts. Some of these include:

No. 1

...in debt management by *Expansion Management* magazine

No. 5

...on *Site Selection* magazine's 2005 Top Business Climate ranking

No. 9

...on *Expansion Management* magazine's 2005 Top Legislative Quotient List

No. 16

...in the nation for insourcing jobs by the Organization for International Investment (OFII)

Expansion Management named four Tennessee cities on its "Hottest Cities" list. Tennessee was the only state with three cities in the top 10.



TENNESSEE'S THREE-STAR PROGRAM SHINES

The Southern Growth Policies Board, a bipartisan public policy think tank devoted to strengthening the South's economy, has recognized ECD's revamped Three-Star program as a best practices program and Southern leader in community certification programs.

"I am pleased that ECD's Three-Star program has received this recognition from such a highly-respected organization," said ECD Commissioner Matthew Kisber. "The Three-Star program is helping to empower communities as they concentrate on their existing strengths and how they can leverage those strengths to improve quality of life and to grow jobs."

The Southern Growth Policies Board is supported by memberships from 13 Southern states. For more information, visit www.southern.org.

JETRO Tennessee Remains Important Economic Partner

The Japan External Trade Organization, or JETRO's Tennessee office is being led by a new business advisor working to maximize Japan's business relationship with Tennessee.



Kazumi Iino

Kazumi Iino, a business consultant and native of Tokyo, Japan, leads Tennessee's JETRO office. His responsibilities will include supporting and assisting companies in Tennessee interested in doing or opening business in Japan. Iino has more than 20 years of experience in international business development, sales and marketing and earned an MBA from Florida International University.

"My work experience with both U.S. and Japanese companies as

well as non-profit organizations will help companies in Tennessee to jump start doing business in Japan," said Iino. "I'm anxious to put my experience to work and make economic opportunities happen."

JETRO

JETRO is a non-profit Japanese government-related organization dedicated to developing mutually beneficial trade relations between Japan and trade partners around the world. Established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st Century has shifted to promoting foreign direct investment into Japan and helping small-to-medium sized Japanese firms maximize their global export potential. The organization maintains 74 overseas offices in 56 countries.

TLC Educates State's Community and Economic Development Leaders

Since its inception six months ago, the Tennessee Leadership Center (TLC) has hit the ground running, providing numerous training opportunities for the Tennessee Department of Economic and Community Development's (ECD) Three-Star program and offering various community development courses for the state's community and economic development leaders.

"TLC is a statewide resource for sharing best practices and providing support in economic development efforts," said Dr. David Kolzow, executive director of TLC. "Leaders who utilize the opportunities provided by the center will help advance their communities for job growth and expansion."

TLC recently developed a community economic develop-

ment assessment tool in partnership with the Vanderbilt Center for Better Health (VCBH) specifically for Three-Star communities. Other efforts undertaken by the center include:

- Conducted six regional workshops for over 400 community leaders announcing the changes to the Three-Star program and providing training in strategic planning;
- Developed a DVD on key economic development trends that is available for use by local communities;
- Developed together with ECD and VCBH a book of resource guidelines for community leaders to use in their strategic planning efforts.

For more information about TLC, visit www.tennesseeleadershipcenter.com/

TLC Spring Workshop Schedule:

March 21: Nashville	Becoming a More Effective Communicator
March 22: Nashville	Negotiating for Better Results
April 18: Nashville	Developing Leadership Skills for the New Economy
April 19: Nashville	How to Diversify the Rural Economy
May 15: Jackson	Understanding Basic Economic Development
May 17: Nashville	Understanding Basic Economic Development
May 19: Knoxville	Understanding Basic Economic Development

• One-day workshops cost \$125 and two-day workshops cost \$225. Courses will be offered on a first-come, first-serve basis. Registration information is available on the Web site.



Tennessee Business Matchmaking To Stimulate Small Business Growth



The newly-created Tennessee Business Matchmaking Program will begin visiting all regions of the state in 2006, pairing small businesses, including small manufacturers, with government agencies, corporations and large manufacturers that have potential contract opportunities.

The first conference is slated for April 20, 7:30 a.m.-5 p.m. in the Tri-Cities area at the Centre at Millennium Park in Johnson City, Tenn., with events to follow in Middle Tennessee (Nashville, June 1) and West Tennessee (Memphis, June 29). ECD's Business Enterprise Resource Office (BERO) is organizing

and hosting the series of regional business matchmaking conferences in partnership with the Tennessee Valley Authority (TVA).

Tennessee Business Matchmaking is modeled after the Small Business Administration's (SBA) Business Matchmaking event held in Nashville last March. About 800 small businesses and 200 buyers from government agencies and large corporations participated in the one-day event, which generated \$2.5 million in contracts for participating Tennessee small businesses.

Edward Bentley, owner of Bentco Office Solutions in Chattanooga, attended SBA's business matchmaking event. Prior to the conference, Bentley had contacted BlueCross BlueShield (BCBS) of Tennessee numerous times to discuss contract opportunities with no luck. After Bentley met with BCBS at the business matchmaking event, he was able to negotiate an office supply contract.

"Business matchmaking events give small businesses a chance to meet

face-to-face with potential buyers, which is such a better arrangement than pitching your business over the phone," said Bentley. "It's a place where you can make appointments with businesses that might not have been possible elsewhere."

Bentley's experience at the matchmaking event helped him build relationships, land contracts and increase revenues by 25 percent. Bentco Office Solutions, provider of office supplies, furniture and modular work stations, has also secured contracts with the Bureau of Indian Affairs, the Tennessee Lottery and Oak Ridge National Laboratory since the conference.

"I can't stress enough the importance of following up with the companies you meet after the conference is over," said Bentley. "The matchmaking event can jump start the relationship, but it requires patience and dedication to complete the sale."

• To learn more about Tennessee Business Matchmaking, visit <http://www.tnecd.gov/matchmaking>.